

ARTICLE CONTINUED
ON PAGE 5NEW YORK DAILY NEWS
25 September 1980

Carter calls aides on Iraq conflict

By LARS-ERIK NELSON

Washington (News Bureau)—President Carter summoned his senior advisers to a National Security Council meeting this morning to assess the consequences of the Iran-Iraq war and determine whether to trigger an international oil-sharing agreement.

Secretary of State Muskie, who is to meet Soviet Foreign Minister Andrei Gromyko tomorrow at the United Nations, flew to Washington from New York for the meeting at the White House.

Statutory members of the council are the President, the vice president, the secretary of state and the secretary of defense. Other senior advisers, including Zbigniew Brzezinski, the national security adviser, and CIA Director Stansfield Turner, also attended.

Carter's review was hampered in advance by the lack of U.S. influence over either Iran or Iraq. He has professed U.S. neutrality in the dispute, and called on the Russians not to interfere.

"The President has already outlined the only policy we can adopt," one official said. "Even if we changed it, neither Iran nor Iraq would listen."

U.S. officials are more or less resigned to the fact that the fighting has halted Iranian movement toward resolving the fate of 52 American hostages. Several Iranian leaders have accused the United States of being somehow behind the Iraqis, even though Iraq and the U.S. have no formal diplomatic relations.

UNDER A MECHANISM worked out after the 1973 Arab-Israeli war, Western nations and Japan can share oil if supplies become cut off by embargoes or war. At the moment, the West's oil stocks are in good shape, but the destruction of the Iranian refinery at Abadan and Iranian attacks on the Iraqi oil facilities at Basra could lead to

cuts of as much as 7.5% in the world's oil exports—enough to trigger the sharing mechanism.

The cut-off of oil from Iran and Iraq would most directly hurt Western Europe and Japan. The United States has halted oil purchases from Iran and buys only minimal amounts from Iraq. The sharing arrangement could, therefore, oblige the U.S. to divert oil it imports from other nations to its allies in the International Energy Agency.

The State Department, meanwhile, made routine plans to shut down its diplomatic interests section in Baghdad if the fighting continues. The official American community totals 21 diplomats and their dependents. An estimated 700 other Americans live in Iraq—about 300 temporarily on oil-related assignments and the rest dual-nationals or the spouses of Iraqis.

A STATE DEPARTMENT spokesman said the United States was trying to check an Iranian claim that four Americans had been captured with Iraqi troops on Iranian soil. "We don't know of any Americans there," the official said.

On Capitol Hill, Rep. Benjamin Rosenthal (D-Queens) called for the halt of the sale of eight General Electric engines to be installed in Italian-built naval frigates destined for Iraq. Rosenthal said two of the engines had already been shipped to Italy for installation in one of the four frigates.

Muskie's meeting with Gromyko tomorrow was to have centered on general East-West relations and the possibility of resuming nuclear arms-control negotiations next month. But now, the Iran-Iraq fighting has risen to the top of the agenda, officials said.

The Russians are in a quandary, a U.S. official said. "They are alarmed at any kind of instability near their borders, and they know that if they get involved in any way they will antagonize the West."